



State Ethics Commission

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CHIEF INVESTIGATOR

December 2022

HISTORY OF THE STATE ETHICS COMMISSION

- 1975 – Commission was founded.
- 1991 – The Ethics, Government, Accountability, and Campaign Reform Act of 1991 expanded the commission and added responsibilities.
- 2017 – Commission was revised and authority expanded.

OPERATION LOST TRUST

- FBI sting operation
- Money paid for support of dog- and horse-track betting
- Resulted in federal convictions of
 - 17 legislators
 - 7 lobbyists



COMMISSIONERS

- 8 appointed commissioners
 - 4 by the Governor
 - 2 by Senate – 1 from majority party, 1 from largest minority party
 - 2 by House of Representatives – 1 from majority party, 1 from largest minority party
 - All with consent of General Assembly
 - 5-year terms

To whom does the Act apply?

Public Officials

Any elected or appointed official of the state, county municipality, or political subdivision (excluding judges) and any candidate for such office

Public Members

An individual appointed to a noncompensated, part-time position on a board, commission, or council

Public Employees

Any person employed by the state, county, municipality, or political subdivision

Required Reports Per the ETHICS ACT

- Statement of Economic Interests
- Campaign Disclosure Report


South Carolina Ethics Filing

For Candidates and Public Officials


Looking for public reports?

[SC Public Ethics Reports >](#)


Upcoming Dates & Deadlines

 **January 01**

Quarter 4 Campaign Disclosures Report Available to Submit

 **January 10**

Quarter 4 Campaign Disclosures Report Due

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Don't have an account?

Create an Account

You only need one account, even if you are starting a new run for office. Please use your personal email address.

Not sure if you have an account?

Contact your filing agency.

House Filers

(803) 734-3114

Senate Filers

(803) 212-6410

Local and Statewide Filers

(803) 253-4192

STATEMENT OF ECONOMIC INTERESTS

- ***MUST*** be filed by all public officials every year
- First prior to taking oath of office or assuming duties
- Then every year by **March 30**
- **Covers the prior calendar year**

Information Required - SEIs

- Income = anything of value reported to IRS
 - Government – source, type, amount received by filer and immediate family
 - Not tax refunds
 - Private – source, type received by filer or immediate family
 - **NOT** retirement, annuity, pension, IRA, disability, deferred compensation

Information Required - SEIs

- Real property
 - Description, value and location of real property owned or option to purchase by filer or immediate family if:
 - Public improvements were made in excess of \$200.00
OR
 - Interest reasonably expected to be a conflict of interest
- If a sale, lease, or rental of personal or real property is to a state, county or municipal instrumentality of government, a copy of the agreement must be attached to the SEI.

Information Required - SEIs

- Speaking engagements
 - Name of each organization which paid or reimbursed actual expenses for speaking
 - Amount paid or reimbursed
 - Purpose, date, and location of event

BEWARE OF AN SEI THAT LOOKS LIKE THIS...

Select a tab to view more.

Summary

Position

Income & Benefits

Reg. Bus. Assoc.

Property

More »



**** Filer does not have any personal income and benefit items to disclose. ****



**** Filer does not have any family income and benefit items to disclose. ****

ADVISORY OPINION - SEI

SEC AO2020-001

September 17, 2020

SUBJECT: Reporting Government Income on a Statement of Economic Interests (SEI)

SUMMARY: Individuals reporting government income on a Statement of Economic Interests should report the amount of gross income received. Gross income means the amount of wages earned prior to any deductions or withholdings.

CAMPAIGN DISCLOSURE REPORTS

- Initial CDR filed within 10 days of spending or receiving an aggregate of \$500.00
- Filed by the 10th of each quarter (April, July, October, January)
- Pre-Election CDR filed by **ALL** candidates 15-20 days before election date
- Final CDR filed when campaign bank account undergoes final disbursement – see §8-13-1370

Information Required - CDRs

- Total amount of contributions accepted.
 - Date and amount of each contribution.
 - Name, address, and occupation of each contributor
- Total amount of expenditures made.
 - Name and address of each person/entity to whom an expenditure is made.
 - Date, amount, and purpose of each expenditure.

Campaign Finance

Do's and Don'ts

- ✗ Use your personal bank account for campaign
- ✗ Accept more than \$1,000 from a contributor during an election cycle
- ✗ Pay for gas or personal meals using campaign funds
- ✗ Contribute to your campaign if you want to recoup the money
- ✗ Withdraw more than \$100.00 in cash
- ✓ Open a campaign bank account
- ✓ Process ALL transactions through the campaign bank account
- ✓ Use a mileage log to reimburse mileage
- ✓ Loan your campaign funds if you want to recoup the money
- ✓ File CDRs until your campaign bank account reaches \$0.00 and you file your Final CDR
- ✓ Maintain records for 4 years

Noncompliance Penalties

- Initial \$100.00 penalty
- Certified letter delivered → \$10.00 dollars per day for ten days
- Day 11 → \$100.00 day until \$5,000.00 maximum penalty reached
- Complaint may also be filed

INFLUENCING OUTCOME OF AN ELECTION

§8-13-765 and §8-13-1346

- No person may use government personnel, equipment, funds, property, or time to influence the outcome of an election.
- Includes influencing the outcome of a ballot measure.
 - Ballot measure means a referendum, proposition, or measure submitted to voters for their approval.
- Does **NOT** prohibit governmental entity from preparing informational materials, conducting public meetings, or responding to news media or citizens' inquiries concerning a ballot measure affecting the governmental entity.



CONFLICTS OF INTEREST

Code of Conduct

§8-13-700

§8-13-700 Self-Dealing

- §8-13-700(A)

"No public official, public member, or public employee may knowingly use his official office, membership, or employment to obtain an economic interest for himself, a family member, an individual with whom he is associated, or a business with which he is associated."

- Exception for incidental use not resulting in additional public expense.

- §8-13-700(B)

"No public official, public member, or public employee may make, participate in making, or in any way attempt to use his office, membership, or employment to influence a governmental decision in which he, a family member, an individual with whom he is associated, or a business with which he is associated has an economic interest."

Definitions

- Family member = spouse, parent, brother, sister, child, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, grandparent or grandchild
OR
a member of the individual's immediate family
- Immediate family = child residing in the household, spouse, or individual claimed as dependent on taxes (by public official/member/employee OR spouse)

Definitions

- Economic interest = an interest distinct from that of the general public in a purchase, sale, lease, contract, option, or other transaction or arrangement involving property or services in which a public official/member/employee may gain an economic benefit of fifty dollars or more
 - Exception = if only economic interest or reasonably foreseeable benefit that may accrue to the public official/member/employee is incidental to the position or which accrues to the O/M/E as a member of a profession, occupation, or large class to no greater extent than can reasonably be foreseen to accrue to all other members of the profession, occupation, or large class

§8-13-740 Representation

- Cannot knowingly representing a person before any agency, unit, or subunit of county for which you have official responsibility unless required by law or before a court
- Does not apply if representation is:
 - in the normal course of duties
 - ministerial and does not require discretion of the entity
 - related to your personal affairs (you or immediate family)

PENALTIES

- Maximum fine of \$2,000.00
- Complaint can be filed which may mean additional fines

§8-13-750 Nepotism

- Public official cannot cause the employment, appointment, promotion, transfer or advancement of a family member to an office or position supervised or managed by the official
- Public official cannot participate in discipline of family member

PENALTIES

- Maximum fine of \$2,000.00
- Complaint can be filed which may mean additional fines

§8-13-760 Post-Govt Job

- Public official cannot resign and accept employment with a person contracting with the county if the public official participated in procurement of the original contract
- §11-35-310(25) procurement = buying, purchasing, renting, leasing, or otherwise acquiring any supplies, services, information technology, or construction. Also includes bid solicitation, preparation of contract, award of contract.

PENALTIES

- Maximum fine of \$2,000.00
- Complaint can be filed which may mean additional fines

§8-13-775 Contracts

- Public official cannot have a contract with the State or its political subdivisions if they are authorized to perform an official function relating to the contract.
- Official functions include:
 - writing or preparing the contract specifications
 - accepting bids
 - awarding the contract
 - any other action on preparation or award of the contract.

PENALTIES

- Maximum fine of \$2,000.00
- Complaint can be filed which may mean additional fines

WHEN IN DOUBT...

If you are unsure of your duties under
the South Carolina Ethics Act...

DO NOT ACT

Take the following steps:


EVALUATE WHAT, IF ANY, CONFLICT YOU HAVE

- Is there an economic interest for you?
- Is there an economic interest for a family member of yours?
- Is there an economic interest for an individual with whom you are associated?
- Is there an economic interest for a business with which you are associated?

**IF YOU ARE NOT SURE OF THE ANSWER TO ANY OF
THESE QUESTIONS, REQUEST AN ADVISORY OPINION**

ADVISORY OPINIONS

- As a public official, you can request either an informal or formal opinion from the State Ethics Commission.
- A formal opinion is issued by the Commission and is binding.
- An informal opinion is issued by Commission staff and is not binding.
- For sensitive matters, you may request a confidential formal or informal opinion. Requests must be made in writing.
- **REQUESTS MUST BE MADE PRIOR TO ANY ACTION**



**IF YOU HAVE A
CONFLICT, THEN
YOU *MUST*
RECUSE
YOURSELF!**

HOW TO RECUSE YOURSELF

- 1) Prepare a written statement describing the matter requiring action or decision and the nature of your potential conflict of interest with respect to the action or decision.
- 2) Public official: Furnish a copy to the presiding officer of the governing body on which he serves, who shall cause the statement to be printed in the minutes and require that the member be excused from any votes, deliberations, and other actions on the matter

COMPLAINT PROCESS

- Complaints are generated by:
 - Individual filing a verified complaint
 - OR
 - Commission staff learning of potential violation(s) and initiating a preliminary investigation. If allegations are corroborated, the Commission files a verified complaint.
- Once an investigation is opened:
 - All parties are notified
 - Investigators gather evidence, subpoena documents, and interview witnesses
 - Respondent can hire an attorney, submit a written response, or be interviewed by an investigator

COMPLAINT PROCESS

- When investigation is complete, Commission staff meets to determine charging recommendations.
- Investigative findings presented to Commissioners in executive session. 6 of 8 Commissioners must agree to find probable cause for charges.
- No PC → complaint dismissed
- PC found → complaint becomes public
 - A public hearing is scheduled
 - The matter is resolved either via Consent Order or at a contested hearing

HEARING PROCESS

- Both sides have subpoena power, the ability to depose witnesses, and must share evidence/potential exhibits.
- Hearings are held before a three-person panel comprised of members of the Commission drawn at random.
- The Commission is represented by general counsel. The Respondent can hire an attorney or represent themselves.
- The hearing proceeds much like a trial with opening statements, examination of witnesses, introduction of evidence, and closing statements.

HEARING PROCESS

- After closing statements, the hearing panel deliberates.
- A written order is issued within 60 days of the hearing.
- Respondents may appeal the decision of the hearing panel **in writing with facts or grounds for your appeal** within **ten days** of receiving the panel's order.
- The appeal takes place before the remaining members of the Commission.

Please Contact Us with Questions

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Contact Us

South Carolina State Ethics Commission
201 Executive Center Drive, Suite 150
Columbia, South Carolina 29210

(803) 253-4192 (office)
(803) 253-7539 (fax)

Office Hours: 8:30 a.m. - 5:00 p.m., Monday through Friday, excluding State Holidays

For questions about Statement of Economic Interests, please contact [Lessie Cheeseboro](#).

For questions about Campaign Disclosures, please contact [Sandra Willis](#).

For questions about the complaint process or the law, please contact [Courtney Laster](#).

For questions about the obligation to register as a Lobbyist or Lobbyist's Principal, please contact [Karen Wiggins](#).

For questions about training, please contact [Meghan Walker](#).

All media questions should be directed to mediaquestions@ethics.sc.gov.

[Additional References](#)